

MILITARY REPRESENTATIVES

SIXTH SALES CYCLE

OCTOBER 30 - DECEMBER 22, 1972

SPECIAL ACTIVITIES

The Promotional Rationale portion of this work plan outlines the major brands which will be featured during the 6th cycle. You should direct your efforts to gaining new distribution, increasing inventory, and improving our shelf position where possible.

Brands to be featured during this cycle are:

- BENSON & HEDGES - Total sales are up nationally and in the military as indicated by figures below:

| | <u>NATIONALLY</u> | <u>MILITARY</u> |
|-------------------------------|-------------------|-----------------|
| • Total Benson & Hedges 100's | 14.0% | 17.5% |
| • Benson & Hedges Menthol | 19.0% | 25.8% |

All efforts should be made to maintain these strong trends. Set specific objectives by accounts to gain new distribution in those areas currently not stocking Benson & Hedges 100's. Utilize all P.O.S. material when permitted to gain merchandising support in your accounts.

- VIRGINIA SLIMS

| | <u>NATIONALLY</u> | <u>MILITARY</u> |
|------------------------|-------------------|-----------------|
| • Total Virginia Slims | 12.0% | 17.9% |

The growth rate that you are currently experiencing will continue if your priorities with this brand is centered around expanding the distribution base. Review each assigned account in an effort to determine other areas of opportunities. The normal accelerated growth rate of the brand plus heavy national advertising will make it essential that added inventory is maintained to off-set this growth.

- MARLBORO - The following figures will point out strong and weak areas in Military sales and can be used to help you analyze your business by market area and on an account by account basis.

| | |
|-------------------------|--------|
| 1. Total Marlboro 80-85 | 3.2% |
| 2. Total Marlboro 100's | 26.6% |
| 3. Marlboro Lights | 100.0% |
| 4. Total Marlboro | 12.9% |

The areas requiring immediate consideration are Marlboro 80-85's. Within that category, the primary problem is the Marlboro box. Continue to make special presentations especially in the 80-85 category to improve total sales with this brand.

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OTHER BRANDS

As you place special emphasis on the featured brands during the 6th cycle, continue to take all available opportunities to gain new distribution and merchandising support on the brands not featured this cycle.

MILITARY INCENTIVE ITEMS

You have been supplied with high value incentive items which should be used in high volume outlets with good merchandising facility. These items should be used for:

- . Manned store sales
- . Special display efforts

This "on-going" program is an excellent supplementary device that can be used most effectively in addition to the programs occurring each cycle.

MERCHANDISING OPPORTUNITIES

- . Cigarette Department Marker - Many opportunities exist in your retail outlets with a good carton business to install the cigarette department marker. This item has been well accepted by the military and civilian trade. If you do not have a supply of markers on hand, they may be requisitioned in the normal manner. Carry a department marker into each outlet with you to show to the store manager as you make your presentation.
- . Parliament Carriage Light - You were supplied with an allocation of carriage lights earlier to be used in clubs and other similar outlets. Take every opportunity to utilize this item in your higher volume outlets.

OTHER ACTIVITIES

- . Navy Commissary Stores - You were given an advance notice of the Authorized Group Items which are to be carried in all Navy Commissary Stores. Razor blades were given a minimum line item of 4 with a recommended line item of 8. This now places us in a good position to sell our Personna and Face Guard to these outlets.
- . General Products Items - You must continue to follow through with the products and programs sold in General Products Division and the outlets that re-sell our merchandise. There are many distribution and volume opportunities available as a result of programs in this division.
- . Face Guard Distributional Questionnaire - Please complete questionnaire and return to Ray Lasarow immediately as requested in memo from me dated September 25, 1972.

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MILITARY SPECIAL OFFERS

The following special offers are still running. Continue to follow through in an effort to sell these programs as previously instructed:

- Personna Small sizes offer #MW 142 has an effective date of 9/1/72 and will be withdrawn 11/30/72. The 25% voluntary price reduction - off invoice provides an excellent opportunity to gain additional peg space, increase inventories, and get reduced resale prices.
- Clark Smile 6-Pack Gum offer #MW 722 has an effective date of 9/1/72 and will be withdrawn 11/30/72 (CONUS) and (OVERSEAS). The 15% voluntary price reduction should help you increase distribution, gain shelf exposure and display support.
- By now you have sold your customers the Clark Gum 10-Pack Halloween Promotion. Check your resale outlets to make certain the gum ordered is in stock and is being placed on the Halloween display. Since all orders were to be processed by September 15th, gum ordered should be at retail now.
- New Speakeasy Breath Freshner #MW 522 has an effective date of 9/1/72 and will be withdrawn 11/30/72. The 25% introduction offer should provide a strong trade incentive in gaining distribution on this product.

GENERAL

The military continues to be an important part of our overall business. Your management expertise and knowledge of your accounts play a significant role in improving our business with the military. Continue to analyze your business and set specific obtainable objectives. I know you will give this area of our business your best.

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J. P. JEB LEE

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